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**Adoption of the budget of the Authority**
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**Budget of the International Seabed Authority**

## Proposed budget for the International Seabed Authority for the financial period 2019–2020

### Report of the Secretary-General

## I. Introduction

1. The present report sets out the proposed budgetary requirements for the International Seabed Authority for the financial period 2019–2020. The Secretary-General estimates the budgetary requirements of the Authority for 2019 and 2020 at $18,470,900. The estimated amount of $9,636,900 for 2019 comprises $6,236,700 for administrative expenses, $1,542,000 for conference services and $1,858,200 for programme requirements. The estimated amount of $8,833,900 for 2020 comprises $6,051,600 for administrative expenses, $1,542,000 for conference services and $1,240,300 for programme requirements. A summary of the proposed budgetary requirements for the financial period 2019–2020 is provided in annex I.

2. The proposed budget for the period 2019–2020 represents an increase of 7.8 per cent in nominal terms over the approved budget for 2017–2018. This increase may be attributed to an expansion in the substantive workload of the Authority, in particular the need to advance work in relation to programme 2.1 (Development of the regulatory framework for activities in the Area) and the introduction of a new programme 2.7 (Regional environment management plans). At the same time, while programme expenditure is increased, it has been possible to achieve a decrease of 2.1 per cent in the general administrative budget, including a decrease of 21.5 per cent in conference servicing costs. Those reductions are the result of cost-saving measures implemented in 2017 and 2018 (see ISBA/24/FC/8), better planning and monitoring of expenditure with the full implementation of the International Public Sector Accounting Standards (IPSAS) and a more rigorous analysis of the expected budgetary requirements under each line. It should be noted that inflation for 2018, 2019 and 2020 is projected by the Government of Jamaica to be 5 per cent per year on the previous year (source: International Monetary Fund).

* ISBA/24/A/L.1.



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3. The substantive work of the Authority focuses on seven programmes, in line with the priority deliverables endorsed by the Council and the Assembly. Detailed information on the programmes is provided in section III of the present report. As some of the programmes and related activities may overlap, it is proposed that, as in previous budgets, the Secretary-General be authorized to make transfers between appropriate subsections of the administrative budget, between the administrative and programme budget sections and between individual programmes for up to 20 per cent of the amount under each subsection, section or individual programme.

4. The Secretary-General is strongly committed to stabilizing in the long term the general administrative budget, including conference services, at current levels. Programme expenditure in future financial periods will fluctuate according to the priorities of the Authority, with significant reductions expected in some programmes once the development of regulations for exploitation has been completed. Shifting expenditure into programmes also promotes greater transparency and accountability.

# II. Summary of administrative budget proposals for the financial period 2019–2020

### Section 1. Administrative and conference services expenditure

### Subsection 1. Administrative expenditure of the secretariat

*Established posts*

5. The secretariat must be able to call upon a multi-skilled, versatile and mobile workforce that will work across disciplines to fulfil the Authority's complex and interrelated mandates in an efficient and cost-effective manner. The secretariat currently has 40 established posts and, during the period 2017–2018, continued to build on its human resources framework by implementing the results of the job classification exercise of 2015, adapted to structural changes (see ISBA/23/A/4), aligned the compensation package of internationally recruited staff with that of the United Nations common system (see ISBA/23/FC/2) and implemented a new Performance Management and Appraisal System (ISBA/ST/AI/2017/3). The future workforce will continue to include a core number of experts in law, science and administration to perform long-term functions, supplemented by staff members who will join the secretariat for shorter periods of time on an ad hoc basis.

6. Four additional posts are requested, thereby increasing the total staff of the secretariat to 44, as follows:

(a) A Senior Policy Officer/Special Assistant to the Secretary-General (P-5), to support the Secretary-General in overseeing and ensuring strategic coordination, communication, policy coherence and integration among the Office of Legal Affairs, the Office of Environmental Management and Mineral Resources and the Office for Administrative Services;

(b) A Communications Assistant (G-7), to augment the communications capacity of the Authority by supporting the Senior Policy Officer/Special Assistant to the Secretary-General (P-5) and the Communications Officer (P-4);

(c) An Associate Human Resources Officer (P-2), to support the Human Resources Officer (P-4) by continuing the sustained focus on service orientation and support to the secretariat, as well as responding to additional demands related to staff development, performance management and workforce and succession planning;

(d) A Scientific Officer (Economic Geology) (P-4), starting in 2020, to support the work of the Office of Environmental Management and Mineral Resources,

with a focus on resource assessment and classification and analysis of the economic viability and feasibility of future mining operations. As this post is envisaged from 2020, it is budgeted for at 50 per cent.

7. It is proposed to make provisions for the use of United Nations Volunteers by increasing the funds available under the budget line "general temporary assistance" to enhance diversity of staff and facilitate the quick recruitment and cost-effective employment of international experts. During the financial period 2019–2020, two positions will be assigned to projects managed by the Office for Administrative Services to replace outmoded and fragmented systems with a view to enhancing the Authority's ability to respond to changing requirements. A Junior Professional Officer programme is also under consideration, subject to support from interested members of the Authority.

*Consultancies*

8. Non-programme consultants will be needed for miscellaneous editing and translation services, information technology and equipment support services.

*Common staff costs*

9. The common staff costs budget line has consistently been overspent and underbudgeted in previous financial periods. The new compensation package has had an impact on the expenditure in 2017. In order to base the proposed budget for the financial period 2019–2020 on realistic figures, the actual amount of common staff costs for 2017 has been retained, and a 2.5 per cent safety margin has been added to cater for inflation and exchange rate fluctuations.

*Training*

10. In his report of May 2013 submitted pursuant to article 166, paragraph 4, of the United Nations Convention on the Law of the Sea (ISBA/19/A/2), the Secretary-General stated that there was minimal provision for staff training and professional development within the regular budget of the Authority. Consequently, even though the training budget in 2015–2016 was increased by $10,900 to a total of $63,000, there was no budget increase for the period 2017–2018. Investment in developing and managing talent at all levels of the Authority is inadequate. Current spending on training and development is less than 1 per cent of the administrative budget, which is significantly less than in other comparable organizations. A training budget of $126,000 is therefore proposed for the period 2019–2020, with no overall impact on the administrative budget.

*Official travel (non-programme)*

11. Travel charged to the administrative budget will include travel not specifically related to a programme. The administrative budget requirement for travel in 2019–2020 is expected to amount to $225,740. These travel expenses include travel by the Secretary-General and senior staff to attend the sessions of the United Nations General Assembly, Meetings of States Parties to the Convention and the annual face-to-face meeting of UN-Oceans, as well as other necessary representational travel.

*Intergovernmental conferences*

12. A specific budget line has been created to support the Authority's participation in the intergovernmental conference on an international legally binding instrument under the United Nations Convention on the Law of the Sea on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction at its sessions scheduled for 2019 and 2020, and in the United Nations Conference to

Support the Implementation of Sustainable Development Goal 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development, to be held in 2020. The amount reserved for this purpose is estimated at $30,000 for each year of the financial period 2019–2020.

*Communications*

13. The investments made by the Authority in the periods 2013–2014 and 2015–2016 have resulted in efficiency gains and led to a proposed decrease of $44,000 in this budget line.

*Library books and supplies*

14. Annual subscription costs for periodicals and journals have increased over the past five years by an average of 8 per cent, despite a move to use online resources and other cost-saving measures. The budget in the period 2017–2018 allowed the library to continue to work towards providing access to journal resources and considerably strengthened the research capacity and capability of the library and the resources available to staff. Continued collaboration with the International Tribunal for the Law of the Sea allows for an economical method to gain access to a number of resources. The Authority shares the cost of resources used by both institutions through the United Nations System Electronic Information Acquisition Consortium, which provides access to select legal and scientific resources that would otherwise be prohibitively expensive within the present budget allocation. A safety margin of 5 per cent has been added to the actual expenditure of 2017 to cater for inflation.

*Information technology*

15. A decrease of $56,000 (44 per cent), to a total of $70,000, is proposed for the financial period 2019–2020. This amount reflects the costs to replace aging switchgear dating back to 2003 ($18,000), the programmed replacement of computers and printers ($23,400) and other information technology costs, including security software, technical management software, unforeseen technical support and unforeseen replacement of hardware ($28,600). Other information technology infrastructure costs, including the procurement of replacement servers with increased processing speed and storage capacity, are treated under IPSAS as acquisition of furniture and equipment and are therefore reflected in the following budget line.

*Acquisition of furniture and equipment*

16. The increase of $42,600, to a total of $196,000, corresponds to the following items:

(a) Replacement servers ($86,000) and the supply, commissioning and installation of a new cooling system in the server room ($50,000);

(b) One multifunction photocopier ($15,000);

(c) The replacement of small office equipment ($5,000);

(d) New furniture for the expanded office space on the first floor, for use by the conference and protocol services ($40,000).

*Redesign of the Authority website*

17. The existing Authority website was designed in the 1990s. Its structure and design are no longer adapted to the volume of archival documents that the website has to manage or to the traffic through the site, making it increasingly unwieldy and

difficult to navigate. Provision has been made for a one-off expenditure of $100,000 in 2019 for redesigning the website and transferring the data.

*Rental, repairs and maintenance of property and equipment*

18. An increase of $11,000, to a total of $35,000, is proposed for the financial period 2019–2020 to cover the rental and maintenance of office equipment and the maintenance and operation of official vehicles. This budget line has been overspent every year since 2013, and the revised figure is a more accurate reflection of actual costs.

*United Nations common system*

19. The proposed budget of $126,600 is aligned with the expenditure incurred in 2017 and includes costs for services and membership in the International Civil Service Commission, the security management system, the Task Force on Accounting Standards, the Human Resources Network of the United Nations System Chief Executives Board for Coordination, the Staff Pension Committee and the UN Cares programme.

*Audit fees*

20. The audit fees for the financial period 2019–2020 correspond to the offer made by Ernst & Young in 2017 for four years.

*Building management*

21. The budget of $744,100 is aligned with the expenditure incurred in 2017 under this budget line. Unforeseen costs will be covered by the savings made on electricity expenditure since January 2018.

*Implementation of the International Public Sector Accounting Standards*

22. As previously reported to the Finance Committee (see ISBA/23/FC/5), the Authority has adopted IPSAS and has been in the process of implementing these standards, including through training, since 2015. The financial statements of the Authority for 2017 were IPSAS-compliant. Further training is still needed and enterprise resources planning (ERP) needs to be deployed to give the Authority the integrated information system needed to be fully IPSAS-compliant. For that reason, this budget line has been renamed "IPSAS/ERP" and incorporates a budget provision of $80,000 to make the necessary surveys, studies and research on the system required.

**Subsection 2. Conference services**

23. A major change to the budget format results from the presentation of the provision for conference services by nature of expenditure instead of by organ of the Authority. This change will allow for better planning and future reporting and will increase transparency and accountability. A thorough review of conference services costs has been carried out and is reported on separately (see ISBA/24/FC/8). The budgetary requirements for the financial period 2019–2020 are based on the actual expenditure incurred in 2017, with a 5 per cent increase to cater for inflation and exchange rate fluctuations. An annual provision of $110,000 has been added to the budget line "documentation" to cover the cost of generating the additional documents expected under programme 2.1, that is, primarily, the translation of the draft exploitation code. Despite this exceptional expenditure, an overall decrease of 21 per cent is proposed in this section of the budget.

# III. Summary of programme budget proposals for the financial period 2019–2020

## Section 2. Programme expenditure

### Programme 2.1
### Development of the regulatory framework for activities in the Area

*Overall orientation*

24. In March 2018, the Council held the first substantive discussion on the draft regulations on exploitation of mineral resources in the Area, including financial terms. This followed two years of preparatory work, leading up to the consultation of stakeholders on a consolidated set of draft regulations in 2017. Experts from the Massachusetts Institute of Technology were also engaged to develop a financial and economic model to inform the development of financial terms for exploitation. The Authority will continue to develop the regulatory framework throughout 2019 and 2020. The secretariat will support the work of the Council and the Legal and Technical Commission by producing expert studies, analyses and revisions of the draft regulations, as required. In this connection, the Council and the Commission have requested that, in order to aid their discussions, specific studies be conducted on the following topics:

(a) The further development of the financial model and payment mechanism, with continued engagement of the Massachusetts Institute of Technology;

(b) The development of equitable sharing criteria;

(c) The potential impact of mineral production from the Area on the economies of developing land-based producers of the same minerals, in accordance with section 1, paragraph 5 (e), of the annex to the 1994 Agreement relating to the implementation of Part XI of the United Nations Convention on the Law of the Sea of 10 December 1982.

25. In addition, the Assembly requested in its decision ISBA/23/A/13 that the Legal and Technical Commission continue to address the question of the operationalization of the Enterprise as an important matter in the light of developments with respect to deep-sea mining.

*Objectives of the Authority*

26. The objective of the Authority is to adopt rules, regulations and procedures covering all phases of deep-sea mineral exploration and exploitation, developed on the basis of best available information and in line with the policies, objectives, criteria, principles and provisions set out in the Convention and 1994 Agreement, including a regulatory framework for the protection of the marine environment from harmful effects that may arise from activities in the Area. In section C, paragraph 2, of its decision ISBA/23/A/13, the Assembly emphasized the importance of universal participation in the course of the development of rules and regulations on deep-sea mining, in particular the participation of developing States.

*Expected accomplishments of the Authority*

27. Expected accomplishments include:

(a) The continued development of the regulations on exploitation of mineral resources in the Area, with a view to their adoption by the relevant organs of the Authority;

(b) The development and adoption of a system of payments and corresponding rates of payment based on the evolution of the financial model under discussion by the Council and expected contractor business plans;

(c) The development of technical and administrative guidance to support the regulatory framework, including guidance and templates for environmental management and monitoring plans and closure plans;

(d) The development of an environmental impact assessment process and environmental impact statement (environmental impact statement manual), for adoption by contractors;

(e) The development of equitable sharing criteria for the distribution of financial and other economic benefits derived from activities in the Area;

(f) The conduct of a study of the potential impact of mineral production from the Area, in accordance with section 1, paragraph 5 (e), of the annex to the Agreement, and the development of possible criteria for economic assistance;

(g) Continued work on the development of a business model for the operationalization of the Enterprise.

*Budgetary requirements*

28. Programme 2.1 will be implemented under the direction of the Office of Legal Affairs. Substantive input to the development of expert studies and analyses will be provided through a combination of in-house expertise and consultants. Events planned during the financial period will include workshops on equitable sharing criteria and the development of standards and guidelines, as requested by the Legal and Technical Commission. It is likely that an ad hoc working group will be established to advance work on the payment mechanism and financial terms. Workshop budgets will include provisions to ensure the participation of representatives of developing States, as requested by the Assembly. A travel budget is required to attend workshops, meetings and international conferences related to the legal and technical aspects of the formulation and adoption of exploitation regulations. A budget for external printing is required to publish workshop outputs as ISA technical studies and for communications to members of the Authority.

Table 1
**Programme 2.1: Summary of budgetary requirements**

| *Programme 2.1* | *Development of the regulatory framework for activities in the Area* | *2019* | *2020* | *Total* |
|---|---|---|---|---|
| | Consultants | 260 000 | 40 000 | 300 000 |
| | External printing | 15 000 | | 15 000 |
| | Travel | 25 000 | 25 000 | 50 000 |
| | Workshops | 185 000 | 190 000 | 375 000 |
| | **Total, programme 2.1** | **485 000** | **255 000** | **740 000** |

**Programme 2.2**
**Protection of the marine environment**

*Overall orientation*

29. Programme 2.2 is devoted to the implementation of tools and methodologies to ensure the protection of the marine environment in the Area. It is closely associated with programme 2.7, which addresses the establishment of regional environmental

management plans, and programme 2.5, dedicated to the promotion and encouragement of marine scientific research in the Area. Programme 2.2 is primarily aimed at the implementation of regional environmental management plans, in line with the fundamental obligation under article 145 of the Convention, whereby measures are to be taken with respect to activities in the Area to ensure effective protection for the marine environment from harmful effects that may arise from such activities. During the financial period 2019–2020, the programme will be oriented towards the tools necessary to implement the environmental management plan for the Clarion-Clipperton Fracture Zone, adopted in 2012. Programme 2.7 will focus on the development of similar plans for the same mineral in other areas, such as polymetallic nodules in the Central Indian Ocean Basin.

*Objectives of the Authority*

30. The Authority's strategy is to implement a robust framework of environmental protection measures to ensure that deep-sea mining is carried out in a responsible manner and in such a way as to minimize the negative impacts of mining. The general objective of programme 2.2 is to provide a characterization of the living resources and their habitats found in the Area and to implement ecological management tools, including area-based management tools, in the context of environmental management plans at the local and regional levels. Specific objectives are:

(a) Defining and characterizing the natural living resources found in those parts of the Area that may be subject to mining activities;

(b) Standardizing the method of quantification and classification of the living resources found in the Area, including in guidance to contractors, such as ISBA/19/LTC/8 and ISBA/21/LTC/15;

(c) Defining and characterizing the habitats where the living resources are found, to ensure their protection and recovery (as requested from contractors in ISBA/19/LTC/8, paras. 15, 32 and 33 and annex I, and ISBA/21/LTC/15, annex II, sect. IV);

(d) Defining and characterizing biogeographical patterns in areas of potential mining activity;

(e) Providing ecological and environmental reports to the Legal and Technical Commission and to the general public, to ensure transparency on the initiatives to protect the marine environment and to implement the provisions of article 165 of the Convention.

31. The Authority intends to implement programme 2.2 through a series of workshops on baseline data requirements and their statistical robustness, to be organized with the help of external consultants. Each workshop is expected to result in the preparation of technical papers by the secretariat. Since meiofauna is the only component of the deep sea fauna that occurs in densities high enough to allow for the collection of baseline data likely to suffice for a statistically robust environmental impact statement, future efforts under this programme will concentrate on improving the contractors' taxonomical abilities to collect high-quality baseline data on meiofauna. To achieve this, the Authority intends to create an interactive and freely accessible website, the "Meiofauna Catalogue", that will summarize all information available on meiofauna species of the deep sea and thus be able to reach out to a larger audience than the two existing atlases. The scientific value of the Meiofauna Catalogue is expected to aid both the contractors' baseline studies and region-wide analyses.

*Expected accomplishments*

32. Expected accomplishments include:

(a) The organization of a technical workshop on baseline data requirements necessary for carrying out successful environmental impact assessments;

(b) The establishment of scientific curator committees, as requested by the Legal and Technical Commission in the environmental management plan for the Clarion-Clipperton Fracture Zone (ISBA/17/LTC/7, para. 47);

(c) Biannual reporting on the synthesis of environmental data for the public domain using data provided by contractors and international collections (see ISBA/17/LTC/7, para. 52);

(d) Two workshops to define and evaluate the statistical robustness of baseline studies and the identification of living resources for different mineral deposits, respectively (in 2019 and 2020). These evaluations should ensure that data provided by contractors and international collections have been collected according to the same standards and use the same taxonomy.

*Budgetary requirements*

33. The creation of the Meiofauna Catalogue will require the Authority to contract external consultants to design the platform that will host information on the three larger taxa (Foraminifera, Nematoda, and Copepoda), as well as for software programming and implementation. Dedicated funding will also be needed for the establishment and operations of three scientific curator committees, in accordance with the request made by the Legal and Technical Commission (ISBA/17/LTC/7, para. 47), which will be in charge of reviewing incoming data and ensuring the validity and accuracy of metadata. A travel budget is required to ensure participation in appropriate international events directly related to one or more of the specific objectives of the programme. The organization of the workshops requires allocating around $60,000 per year, in addition to an annual budget for external printing of $10,000.

Table 2
**Programme 2.2: Summary of budgetary requirements**

| *Programme 2.2* | *Protection of the marine environment* | *2019* | *2020* | *Total* |
|---|---|---|---|---|
| | Consultants | 140 000 | 140 000 | 280 000 |
| | External printing | 10 000 | 10 000 | 20 000 |
| | Travel | 12 000 | 12 000 | 24 000 |
| | Workshops | 63 000 | 63 000 | 126 000 |
| | **Total, programme 2.2** | **225 000** | **225 000** | **450 000** |

## Programme 2.3
## Contract Management Unit

*Overall orientation*

34. The Contract Management Unit was established in 2017. Its main function is to improve internal coordination within the secretariat by overseeing all contracts issued by the Authority for activities in the Area. This includes processing new applications for plans of work for exploration and exploitation, conducting the periodic review of plans of work, as required under applicable regulations, and monitoring the

implementation of approved plans of work to ensure that contractual obligations are fulfilled, including the submission of annual reports. The Contract Management Unit, through a dedicated Training Coordinator, also oversees contractor training programmes and other capacity-building initiatives, such as the Endowment Fund for Marine Scientific Research and the Authority's internship programme.

*Objectives of the Authority*

35. The objective during the financial period 2019–2020 is to continue to build on the work done in 2017 and 2018 by increasing the efficiency and effectiveness of contract management, while reducing the costs to the organization. A major effort will be made to document processes and introduce more efficient working methodologies for contract management, including a review of annual reports and the conduct of periodic reviews. In relation to capacity-building, the objective is to improve the delivery of capacity-building programmes through the systematic evaluation of past successes and failures, and to increase the availability of such programmes through more proactive outreach to partner institutions. In the light of comments made on the draft strategic plan of the Authority, an international workshop will be convened to assess the needs of developing States in terms of capacity-building.

*Expected accomplishments*

36. Expected accomplishments include:

(a) The timely and efficient processing of applications for approval of plans of work for exploration;

(b) Establishing and maintaining a definitive registry of contracts, in accordance with international best practice, that will form the basis for a future seabed mining register;

(c) Documenting processes for all administrative functions associated with contract management;

(d) Holding annual meetings of contractors to improve coordination and communication, as well as reporting practices;

(e) Developing a strategy and consistent documentation for the management of capacity-building programmes, including a complete database of candidates and trainees, as well as appropriate monitoring strategies and indicators of success;

(f) Issuing a report on and an analysis of the effectiveness of the Authority's capacity-building strategy;

(g) Convening an international workshop to assess the needs of developing States in in terms of capacity-building;

(h) Increasing partnerships with universities, scientific research institutions and other bodies to provide training programmes related to the Authority's mandate to qualified persons from developing States;

(i) Improving the Authority's internship programme by obtaining external funding that can be used to sponsor qualified applicants and by providing more targeted programmes.

Table 3
**Programme 2.3: Summary of budgetary requirements**

| *Programme 2.3* | *Management of contracts* | *2019* | *2020* | *Total* |
|---|---|---|---|---|
| | Consultants | 15 500 | 5 000 | 20 500 |
| | External printing | 5 000 | 5 000 | 10 000 |
| | Travel | 16 000 | 16 000 | 32 000 |
| | Workshops | 85 000 | 15 000 | 100 000 |
| | **Total, programme 2.3** | **121 500** | **41 000** | **162 500** |

*Budgetary requirements*

37. A dedicated budget will be required to support the holding of one meeting of contractors per year and one international workshop to assess the needs of developing States in terms of capacity-building. In addition, the budget allocated to programme 2.3 will be used to produce technical reports and conduct periodic reviews.

**Programme 2.4**
**Data management**

*Overall orientation*

38. In July 2015, the Council recognized in its decision ISBA/21/C/20 the importance of developing a data management strategy for the Authority. The programme on data management has been implemented by the Office of Environmental Management and Mineral Resources since 2017 and the launch of a new database is planned before the end of 2018. The Office contracted Exa Data and Mapping Services, Inc. to assist the data management team with achieving the stated objectives.

39. During the adaptive management process under the development contract, it has become apparent that additional modules and services are necessary to respond to specific data management, storage and retrieval requests. Members of the data task team of the Legal and Technical Commission expressed an interest in the inclusion of additional features to assist the Authority in delivering its mandate. The additional tasks were proposed at this juncture of the project to leverage the momentum of current software and database development efforts. While maintaining the domain knowledge, personnel and intrinsic development environments required to execute the additional tasks will ensure increased efficiency.

*Objectives of the Authority*

40. The objective of programme 2.4 is to provide a set of frameworks that will enable the Authority to manage its data sets proactively. This, in turn, will enable it to deliver its functions as set out in article 145 of the Convention more effectively.

*Expected accomplishment*

41. The expected accomplishment is the development of an institutional policy framework with an updated central data repository. There will be a physical and virtual place for international collaboration (data sharing and analyses). This organized data and information platform will provide the basis for the inclusion of data and metadata in the public domain. Primary indicators of success include a well-organized database with the Authority's existing data readily available, as well as information found on the Internet, the upgrading of software and hardware to enable

efficient data management (i.e., database functionality), physical and virtual space for collaboration activities on data collection, including activities to generate useful outputs from organized data, and new capacity-building activities for developing countries.

Table 4
**Programme 2.4: Summary of budgetary requirements**

| *Programme 2.4* | *Data management (resource and environment)* | *2019* | *2020* | *Total* |
|---|---|---|---|---|
| | Consultants | 140 000 | | 140 000 |
| | Workshops | 75 000 | 75 000 | 150 000 |
| | Maintenance and support | 41 500 | 41 500 | 83 000 |
| | **Total, programme 2.4** | **256 500** | **116 500** | **373 000** |

*Budgetary requirements*

42. A consultancy budget is required to design additional modules to the databases, configure the hardware, programme the software and maintain the databases. A budget is also required for two workshops on data acquisition and management, one for contractors and one for the members of the Legal and Technical Commission.

**Programme 2.5**
**Promotion and encouragement of marine scientific research in the Area**

*Overall orientation*

43. Under article 143 of the Convention, States parties are to ensure that programmes are developed through the Authority or other international organizations, as appropriate, for the benefit of developing States and technologically less developed States, and to effectively disseminate the results of research and analysis through the Authority or other international channels. By promoting international scientific research specifically aimed at mineral resources in the Area, programme 2.5 will also contribute to the implementation of programmes 2.2 and 2.7. Under programme 2.5, the Authority will collaborate in conducting an international research cruise to gather essential data from the areas of particular environmental interest in the Clarion-Clipperton Fracture Zone, documenting the results of the cruise and including scientists from developing countries and representatives of other UN-Oceans agencies on board.

*Objectives of the Authority*

44. The objectives of programme 2.5 are:

(a) Promoting and encouraging the conduct of marine scientific research in the Area and disseminating the results of such research and related analyses to stakeholders;

(b) Encouraging collaborative efforts among contractors in the development of marine technology relevant to activities in the Area (implemented through programme 2.3);

(c) Issuing technical studies and reports on the technology for prospecting and exploration for and exploitation of polymetallic nodules, polymetallic sulphides and cobalt-rich ferromanganese crusts in the Area;

(d) Monitoring trends and developments relating to world metal market conditions and the prices of metals found in the three mineral resources.

*Expected accomplishments*

45. The primary accomplishment during the financial period 2019–2020 will be to organize and conduct a United Nations research cruise to the areas of particular environmental interest in the Clarion-Clipperton Fracture Zone through multi-stakeholder collaboration with the industry, UN-Oceans and civil society. The objectives of this cruise are: (a) to work with leading institutions and scientists to collect much-needed environmental baseline data in those areas; (b) to promote marine scientific research and the transfer of scientific knowledge to developing States; and (c) to facilitate the implementation of voluntary commitments for the achievement of Sustainable Development Goal 14. The proposed research cruise will be carried out in collaboration with Maersk Supply Services and will be coordinated by a steering committee of external experts, including representatives of leading scientific institutions, such as the World Maritime University, and interested organizations of the United Nations system that are members of UN-Oceans, such as the Intergovernmental Oceanographic Commission of the United Nations Educational, Scientific and Cultural Organization, the Convention on Biological Diversity, the Food and Agriculture Organization of the United Nations, the International Atomic Energy Agency, the International Labour Organization, the International Maritime Organization, the United Nations Environment Programme, the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and the World Meteorological Organization. Each participating organization will be invited to nominate two or three trainees from developing States.

46. Other accomplishments of the Authority planned for the period 2019–2020 include:

(a) Organizing a workshop on a geological model for polymetallic sulphide resources. The programme will run until 2020 and could be followed by a workshop to present the geological model to contributors and member States. In the course of the programme, a midterm meeting will be held to review the status of the data obtained and efforts to date and to take decisions on the future direction of the programme;

(b) Issuing technical studies and reports on the technology for prospecting and exploration for and exploitation of polymetallic nodules, polymetallic sulphides and cobalt-rich ferromanganese crusts in the Area;

(c) Reporting on trends and developments in world metal market conditions and prices.

Table 5
**Programme 2.5: Summary of budgetary requirements**

| *Programme 2.5* | *Promotion and encouragement of marine scientific research in the Area* | *2019* | *2020* | *Total* |
|---|---|---|---|---|
| | Consultants | 46 435 | 34 000 | 80 435 |
| | External printing | 17 450 | 33 000 | 50 450 |
| | Travel | 21 505 | 55 000 | 76 505 |
| | Workshops | 105 825 | 10 825 | 116 650 |
| | Training | 50 000 | 50 000 | 100 000 |
| | **Total, programme 2.5** | **241 215** | **182 825** | **424 040** |

*Budgetary requirements*

47. A research cruise typically costs $1.5 million to $2 million for 20 to 28 days, with ship time being particularly expensive. Under programme 2.5, the Authority will collaborate with Maersk Supply Services and DeepGreen to use an appropriate research vessel at no additional cost to the Authority. Participating United Nations organizations will cover their own expenses for transport and equipment. The Authority will cover airfare, hotels and terminal expenses for trainees from developing countries. A workshop to synthesize the data collected during the cruise will be also organized by the Authority to promote outreach in developing countries. The cost of subsequent data handling, analysis and publication and that of publicizing the results on a dedicated website and reporting through UN-Oceans are expected to amount to $80,000 over the biennium.

**Programme 2.6**
**Outreach activities**

*Overall orientation*

48. The overall orientation of programme 2.6 is to maximize the support that the Authority provides to its members by proactively communicating with stakeholders and other interested parties to inform them of issues related to the Convention and of the priorities and activities of the Authority. These outreach activities include cooperation with other organizations in the United Nations system on matters within the mandate of the Authority, including the Intergovernmental Oceanographic Commission in relation to the preparation phase of the United Nations Decade for Ocean Science for Sustainable Development.

49. The Authority has an important role to play in the implementation of the 2030 Agenda for Sustainable Development, in particular Sustainable Development Goal 14 and the associated targets. It is of the utmost importance that the Authority articulate and project the relevance of its work in that context. Outreach activities of the Authority should include communication with and engagement of specific target audiences and the general public so as to: (a) increase awareness of the Authority's impact and results through engaging with national, regional and international media; (b) keep stakeholders up to date on the status of the implementation of the Authority's activities; (c) leverage the capacity of partners so as to promote the value of the Authority's work, including utilizing partners' communication channels, networks and opportunities; (d) increase brand visibility through coordinated communication efforts and presence at appropriate events; and (e) identify and make available audience-appropriate communication tools to members, observers and other relevant stakeholders. The main vehicles for execution will be the Authority's website, mobile applications, information seminars and joint projects and activities conducted in cooperation with the United Nations and other relevant international organizations.

*Objectives of the Authority*

50. The main objectives of programme 2.6 are to advance the mission of the Authority by enhancing the visibility, credibility and impact of its activities and ensuring the effective dissemination of information to, and feedback from, its main target groups.

*Voluntary commitments*

51. The Authority actively contributed to the work and discussions of the United Nations Conference to Support the Implementation of Sustainable Development Goal 14, held in New York from 5 to 9 June 2017. On that occasion, the Authority registered

a series of voluntary commitments to: (a) enhancing the role of women in marine scientific research; (b) encouraging the dissemination of research results through the International Seabed Authority Secretary-General awards for deep-sea research excellence; (c) improving the assessment of essential ecological functions of the deep-sea oceans through long-term underwater oceanographic observatories in the Area; and (d) enhancing the assessment of deep-sea marine biodiversity through the creation of online taxonomic atlases linked to deep-sea mining activities in the Area. Additional voluntary commitments were also registered that involved partnerships with other agencies, notably the Department of Economic and Social Affairs of the United Nations Secretariat ("Abyssal initiative for Blue Growth: advancing SDG14 and the quest for a Blue Economy through the promotion of socioeconomic benefits for developing countries, including SIDS, and increasing scientific knowledge and research capacity") and the African Minerals Development Centre and GRID-Arendal ("Fostering cooperation to promote the sustainable development of Africa's deep seabed resources in support to Africa's Blue Economy" and "Mapping the Blue Economy of Africa to support decision-making, investment and governance of activities undertaken on the extended continental shelf and in adjacent international seabed areas").

*Information seminars*

52. The Authority will continue to organize, in partnership with its members, information seminars in host countries to raise awareness and improve understanding of its mandate and work as they relate to the interest of national authorities and regional bodies in deep-seabed mining. Such seminars are aimed at bringing together experts from the international legal and scientific community with national and regional government officials, scientists, researchers and academics to discuss scientific research on marine minerals and proposing mechanisms for improving regional cooperation in scientific research and marine mineral development. Topics covered in the seminars include the status of the legal regimes established for the recovery of minerals, the types of minerals found in the Area, resource evaluation, protection and preservation of the marine environment from prospecting, exploration and mining, and capacity-building.

*Expected accomplishment*

53. The expected accomplishment of the Authority during the financial period 2019–2020 is to ensure greater participation by member States and stakeholders following the development and implementation of a communications and stakeholder engagement strategy.

54. The indicators of achievement will include the following:

(a) A communications and stakeholder engagement strategy that is well aligned with and support the Authority's strategic directions and business plan;

(b) Improved awareness and understanding of the Authority's work and impact through communication activities with national, regional and international media;

(c) Improved brand recognition through coordinated communication efforts, consistent corporate identity and increased participation in and presence at appropriate events;

(d) Promotion of the mission, work and results of the Authority through collaboration with partners, including leveraging their communication channels, networks and opportunities.

55. A communications unit will be established within the secretariat to coordinate and initiate engagement with the media and relevant stakeholders. The communications unit will formulate and coordinate a communications and stakeholder engagement strategy and carry out a communications campaign and outreach activities to support the goals and strategic directions of the Authority.

*Budgetary requirements*

56. Activities will be designed and implemented to advance the voluntary commitments registered by the Authority at the United Nations Conference to Support the Implementation of Sustainable Development Goal 14 held in 2017. Three information seminars will be organized, with the State providing the facility for the seminar free of charge. For the seminars, a travel budget is required for staff and experts. Dedicated resources are also required to support the development of tailored communications campaigns and tools to advance the Authority's mission; enhance the visibility, credibility and impact of the Authority's strategic objectives and activities; and ensure effective dissemination of information to and feedback from its main target groups, in particular in the margins of major events (e.g., the intergovernmental conference on an international legally binding instrument under the United Nations Convention on the Law of the Sea on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction and the United Nations Conference to Support the Implementation of Sustainable Development Goal 14 to be held in 2020).

Table 6
**Programme 2.6: Summary of budgetary requirements**

| *Programme 2.6* | *Outreach activities* | *2019* | *2020* | *Total* |
|---|---|---|---|---|
| | Consultants | 60 000 | | 60 000 |
| | External printing | 39 000 | 20 000 | 59 000 |
| | Travel | 15 000 | 15 000 | 30 000 |
| | Workshops | 70 000 | 40 000 | 110 000 |
| | **Total, programme 2.6** | **184 000** | **75 000** | **259 000** |

## Programme 2.7
## Regional environmental management plans

*Overall orientation*

57. In 2012, the Council approved the first regional environmental management plan for the Clarion-Clipperton Fracture Zone. The implementation of such a plan is one of the measures required to ensure effective protection of the marine environment from harmful effects that may arise from activities in the Area. At its meetings in March 2018, the Council approved a proposed strategy for the development of regional environmental management plans in other areas subject to mineral exploration activities. Priority areas identified by the Council included the Mid-Atlantic Ridge, the Indian Ocean Triple Junction Ridge and nodule-bearing province, and the North-west Pacific and South Atlantic for seamounts. In 2018, work commenced on the development of regional environmental management plans for the cobalt crust-bearing region in the Pacific Ocean as well as for polymetallic sulphide deposits on the mid-ocean ridges.

*Objectives of the Authority*

58. This new programme will include a series of activities to create regional environmental management plans for each of the minerals in the Area with exploration contracts. The programme will be based on a series of international workshops involving scientific experts, member States, relevant international organizations, contractors with the Authority and civil society, with a view to developing such plans for all three types of mineral resource currently regulated by the Authority.

59. The workshops will include the following:

(a) Two workshops relating to regional environmental management plans for polymetallic massive sulphides, based on the road map to be drawn up at the workshop to be held by the Authority from 27 to 29 June 2018 in Szczecin, Poland;

(b) One workshop in 2020 to further review the implementation of the regional environmental management plan for the Clarion-Clipperton Fracture Zone;

(c) Two workshops, to be held in 2019 and 2020, respectively, to advance the development of a regional environmental management plan for the cobalt-rich ferromanganese crust province of the North-west Pacific Ocean, based on the road map created by the preliminary workshop held from 26 to 29 May 2018 in Qingdao, China.

*Budgetary requirements*

60. Dedicated funding will be required to support the organization of five international workshops during the financial period 2019–2020 in order to meet the objectives identified by the Council and to ensure the broadest possible participation. The funds allocated to programme 2.7 also include support for consultancy fees, data collection and analysis and the cost of issuing technical studies and reports.

Table 7
**Programme 2.7: Summary of budgetary requirements**

| *Programme 2.7* | *Regional environment management programmes* | *2019* | *2020* | *Total* |
|---|---|---|---|---|
| | Consultants | 75 000 | 75 000 | 150 000 |
| | External printing | 30 000 | 30 000 | 60 000 |
| | Travel | 30 000 | 30 000 | 60 000 |
| | Workshops | 210 000 | 210 000 | 420 000 |
| | **Total, programme 2.7** | **345 000** | **345 000** | **690 000** |

# IV. Scale of assessments for the contributions to the budget made by members of the Authority

61. In accordance with the Convention and the 1994 Agreement, the administrative expenses of the Authority are to be met by assessed contributions made by its members until the Authority has sufficient funds from other sources to meet those expenses. Funds from other sources currently comprise annual overhead charges paid by contractors. At the current rate of $47,000, this income is estimated at $1,363,000 per year for 2019 and 2020, accounting for 14.76 per cent of total budgetary requirements. The Authority's scale of assessments is based on the corresponding scale for the regular budget of the United Nations for the years 2016 to 2018, adjusted

to reflect the differences in membership between the Authority and the United Nations.

62. Since the scale of assessments for contributions to the budget of the Authority for 2019 and 2020 will be based on the scale for the regular budget of the United Nations for the years 2016 to 2018, it is recommended that the maximum assessment rate for the budget of the Authority remain at 22 per cent, with the minimum rate remaining at 0.01 per cent. Annex II contains an overview of the income and expenditure of the Authority.

## V. Recommendations

63. Pending the review of the proposed budget by the Finance Committee, the Council and the Assembly are invited to:

(a) Approve the budget for the financial period 2019–2020 in the amount of $18,470,900, as proposed by the Secretary-General;

(b) Take note of the significant reduction in conference services costs and the transfer of the resources made available by those savings to the substantive programmes of the Authority;

(c) Authorize the Secretary-General to establish the scale of assessments for 2019 and 2020 on the basis of the scale used for the regular budget of the United Nations for 2016, 2017 and 2018, taking into account that the ceiling assessment rate will be 22 per cent and the floor rate 0.01 per cent;

(d) Also authorize the Secretary-General, for 2019 and 2020, to transfer up to 20 per cent of the amount under each subsection, section or individual programme between appropriations of the administrative budget and between individual programmes.

# Annex I

## Proposed budgetary requirements for the International Seabed Authority for the period from 1 January 2019 to 31 December 2020

(United States dollars)

| | *Budget* | | | | *Variation* | |
|---|---|---|---|---|---|---|
| | *Approved for 2017–2018* | *2019* | *2020* | ***Total, 2019–2020*** | *Amount* | *Percentage* |
| *Budget line* | *(1)* | *(2)* | *(3)* | *(4)=(2)+(3)* | *(5)=(4)–(1)* | *(6)=[(5)÷(1)]x100* |
| **Section 1. Administrative and conference services expenditure** | | | | | | |
| Subsection 1. Administrative expenditure of the secretariat | | | | | | |
| Established posts | 6 200 000 | 3 570 231 | 3 570 231 | 7 140 461 | 940 461 | 15.2 |
| General temporary assistance | 31 500 | 35 412 | 35 412 | 70 825 | 39 325 | 124.8 |
| Overtime | 71 600 | 33 564 | 33 564 | 67 129 | -4 471 | -6.2 |
| Consultants (non-programme) | 21 000 | 15 000 | 15 000 | 30 000 | 9 000 | 42.9 |
| Common staff costs | 3 080 000 | 1 314 681 | 1 314 681 | 2 629 362 | -450 638 | -14.6 |
| Training | 63 000 | 63 000 | 63 000 | 126 000 | 63 000 | 100.0 |
| Official travel (non-programme) | 187 800 | 112 871 | 112 871 | 225 741 | 37 941 | 20.2 |
| BBNJ/Ocean Conference (2020) | | 30 000 | 30 000 | 60 000 | 60 000 | |
| Communications | 200 700 | 78 329 | 78 329 | 156 659 | -44 041 | -21.9 |
| Library books and supplies | 136 000 | 71 400 | 71 400 | 142 800 | 6 800 | 5.0 |
| External printing (non-programme) | 22 000 | 16 626 | 16 626 | 33 252 | 11 252 | 51.1 |
| Supplies and materials | 80 300 | 48 449 | 48 449 | 96 897 | 16 597 | 20.7 |
| Official hospitality | 23 500 | 15 831 | 15 831 | 31 661 | 8 161 | 34.7 |
| Information technology | 125 900 | 34 969 | 34 969 | 69 939 | -55 961 | -44.4 |
| Acquisition of furniture and equipment | 154 000 | 131 000 | 65 000 | 196 000 | 42 000 | 27.3 |
| Redesign of Authority website | | 100 000 | | 100 000 | 100 000 | |
| Rental and maintenance of furniture and equipment | 24 000 | 17 407 | 17 407 | 34 814 | 10 814 | 45.1 |
| United Nations common system | 166 000 | 63 317 | 63 317 | 126 633 | -39 367 | -23.7 |
| Miscellaneous services | 112 500 | 45 787 | 45 787 | 91 573 | -20 927 | -18.6 |
| Audit fees | 40 000 | 16 800 | 17 640 | 34 440 | -5 560 | -13.9 |
| Buildings management | 828 000 | 372 062 | 372 062 | 744 123 | -83 877 | -10.1 |
| Article 154 review and related costs | 80 000 | | | 0 | -80 000 | -100.0 |
| IPSAS/ERP | 120 000 | 50 000 | 30 000 | 80 000 | -40 000 | -33.3 |
| **Subtotal, subsection 1** | **11 767 800** | **6 236 735** | **6 051 575** | **12 288 310** | **520 510** | **4.4** |
| Subsection 2. Cost of conference services | | | | | | |
| United Nations staff salaries | | 9 400 | 9 400 | | | |
| Printing and supplies | | 500 | 500 | | | |
| Miscellaneous conference service costs | | 47 000 | 47 000 | | | |
| Staff travel | | 291 200 | 291 200 | | | |
| Rental of conference centre | | 53 400 | 53 400 | | | |
| Temporary assistance (meetings) | | 52 700 | 52 700 | | | |

| | Budget | | | | Variation | |
|---|---|---|---|---|---|---|
| | *Approved for 2017–2018* | *2019* | *2020* | ***Total, 2019–2020*** | *Amount* | *Percentage* |
| *Budget line* | *(1)* | *(2)* | *(3)* | *(4)=(2)+(3)* | *(5)=(4)–(1)* | *(6)=[(5)÷(1)]x100* |
| Rental of equipment | | 3 000 | 3 000 | | | |
| Local transportation | | 2 800 | 2 800 | | | |
| Meeting services | 3 930 000 | 455 000 | 455 000 | | | |
| Documentation | | 615 700 | 615 700 | | | |
| Reception | | 11 300 | 11 300 | | | |
| **Subtotal, subsection 2** | **3 930 000** | **1 542 000** | **1 542 000** | **3 084 000** | **-846 000** | **-21.5** |
| **Total, section 1** | **15 697 800** | **7 778 735** | **7 593 575** | **15 372 310** | **-325 490** | **-2.1** |
| **Section 2. Programme expenditure** | | | | | | |
| Programme 2.1: Development of the regulatory framework for activities in the Area | | | | | | |
| Consultants | 90 400 | 260 000 | 40 000 | 300 000 | 209 600 | 231.9 |
| External printing | 12 400 | 15 000 | | 15 000 | 2 600 | 21.0 |
| Travel | 91 200 | 25 000 | 25 000 | 50 000 | -41 200 | -45.2 |
| Workshops | 120 800 | 185 000 | 190 000 | 375 000 | 254 200 | 210.4 |
| **Total, programme 2.1** | **314 800** | **485 000** | **255 000** | **740 000** | **425 200** | **135.1** |
| Programme 2.2: Protection of the marine environment | | | | | | |
| Consultants | 38 800 | 140 000 | 140 000 | 280 000 | 241 200 | 621.6 |
| External printing | 12 400 | 10 000 | 10 000 | 20 000 | 7 600 | 61.3 |
| Travel | 15 200 | 12 000 | 12 000 | 24 000 | 8 800 | 57.9 |
| Workshops | 120 800 | 63 000 | 63 000 | 126 000 | 5 200 | 4.3 |
| **Total, programme 2.2** | **187 200** | **225 000** | **225 000** | **450 000** | **262 800** | **140.4** |
| Programme 2.3: Management of contracts | | | | | | |
| Consultants | | 15 500 | 5 000 | 20 500 | 20 500 | |
| External printing | | 5 000 | 5 000 | 10 000 | 10 000 | |
| Travel | 30 400 | 16 000 | 16 000 | 32 000 | 1 600 | 5.3 |
| Workshops | 6 100 | 85 000 | 15 000 | 100 000 | 93 900 | 1 539.3 |
| **Total, programme 2.3** | **36 500** | **121 500** | **41 000** | **162 500** | **126 000** | **345.2** |
| Programme 2.4: Data management (resource and environment) | | | | | | |
| Consultants | 306 200 | 140 000 | | 140 000 | -166 200 | -54.3 |
| External printing | 30 300 | | | 0 | -30 300 | -100.0 |
| Travel | 28 000 | | | 0 | -28 000 | -100.0 |
| Workshops | | 75 000 | 75 000 | 150 000 | 150 000 | |
| Information technology | 209 400 | | | 0 | -209 400 | -100.0 |
| Central data repository | | | | 0 | | |
| Maintenance and support | 35 900 | 41 500 | 41 500 | 83 000 | 47 100 | 131.2 |
| **Total, programme 2.4** | **609 800** | **256 500** | **116 500** | **373 000** | **-236 800** | **-38.8** |
| Programme 2.5: Promotion and encouragement of marine scientific research in the Area | | | | | | |
| Consultants | 19 400 | 46 435 | 34 000 | 80 435 | 61 035 | 314.6 |

| | Budget | | | | Variation | |
|---|---|---|---|---|---|---|
| | *Approved for 2017–2018* | *2019* | *2020* | ***Total, 2019–2020*** | *Amount* | *Percentage* |
| *Budget line* | *(1)* | *(2)* | *(3)* | *(4)=(2)+(3)* | *(5)=(4)-(1)* | *(6)=[(5)÷(1)]x100* |
| External printing | 12 400 | 17 450 | 33 000 | 50 450 | 38 050 | |
| Travel | 15 200 | 21 505 | 55 000 | 76 505 | 61 305 | 403.3 |
| Workshops | 120 800 | 105 825 | 10 825 | 116 650 | -4 150 | -3.4 |
| Training | | 50 000 | 50 000 | 100 000 | 100 000 | |
| **Total, programme 2.5** | **167 800** | **241 215** | **182 825** | **424 040** | **256 240** | **152.7** |
| Programme 2.6: Outreach activities | | | | | | |
| Consultants | 22 600 | 60 000 | | 60 000 | 37 400 | 165.5 |
| External printing | 1 200 | 39 000 | 20 000 | 59 000 | 57 800 | 4 816.7 |
| Travel | 30 400 | 15 000 | 15 000 | 30 000 | -400 | -1.3 |
| Workshops | 62 600 | 70 000 | 40 000 | 110 000 | 47 400 | 75.7 |
| **Total, programme 2.6** | **116 800** | **184 000** | **75 000** | **259 000** | **142 200** | **121.7** |
| Programme 2.7: Regional environmental management plans | | | | | | |
| Consultants | | 75 000 | 75 000 | 150 000 | 150 000 | |
| External printing | | 30 000 | 30 000 | 60 000 | 60 000 | |
| Travel | | 30 000 | 30 000 | 60 000 | 60 000 | |
| Workshops | | 210 000 | 210 000 | 420 000 | 420 000 | |
| **Total, programme 2.7** | **0** | **345 000** | **345 000** | **690 000** | **690 000** | |
| **Total, section 2** | **1 432 900** | **1 858 215** | **1 240 325** | **3 098 540** | **1 665 640** | **116.2** |
| **Total expenditure for administration, conference services and programmes** | **17 130 700** | **9 636 950** | **8 833 900** | **18 470 850** | **1 340 150** | **7.8** |

*Abbreviations*: BBNJ, intergovernmental conference on an international legally binding instrument under the United Nations Convention on the Law of the Sea on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction; Ocean Conference, United Nations Conference to Support the Implementation of Sustainable Development Goal 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development; IPSAS, International Public Sector Accounting Standards; ERP, enterprise resource planning.

# Annex II

## International Seabed Authority income, including miscellaneous income, and expenses

### A. Income and expenses based on a contractor overhead charge of $47,000

(United States dollars)

| | | | *Change from 2017–2018 to 2019–2020* | |
|---|---|---|---|---|
| | *2017–2018* | *2019–2020* | *Amount* | *Percentage* |
| Proposed budget | 17 130 700 | 18 470 850 | 1 340 150 | 7.8 |
| *Less*: income | | | | |
| Estimated savings (2015–2016) | 40 571 | | | |
| Estimated savings (2017–2018) | | 570 136 | 570 136 | |
| Expected contractor overhead charges | 2 397 000 | 2 726 000 | 329 000 | 13.7 |
| Contractor extension application processing fees received during 2017 and 2018 | 469 000 | 0 | -469 000 | -100.0 |
| Miscellaneous income accumulated during 2015 | 987 205 | | -987 205 | |
| Miscellaneous income accumulated during 2017 | | 685 420 | 685 420 | |
| **Subtotal, income** | **3 893 776** | **3 981 556** | **87 780** | **2.3** |
| **Total net contributions required** | **13 236 924** | **14 489 294** | **1 252 370** | **9.5** |
| Net contributions required for each year of the biennium | 6 618 460 | 7 244 645 | 626 185 | 9.5 |
| *Less*: European Union assessment | -100 000 | -100 000 | | 0.0 |
| **Total assessed** | **6 518 460** | **7 144 645** | **626 185** | **9.6** |

### B. Income and expenses based on a contractor overhead charge of $63,000

(United States dollars)

| | | | *Change from 2017–2018 to 2019–2020* | |
|---|---|---|---|---|
| | *2017–2018* | *2019–2020* | *Amount* | *Percentage* |
| Proposed budget | 17 130 700 | 18 470 850 | 1 340 150 | 7.8 |
| *Less*: Income | | | | |
| Estimated savings (2015–2016) | 40 571 | | | |
| Estimated savings (2017–2018) | | 570 136 | 570 136 | |
| Expected contractor overhead charges | 2 397 000 | 3 654 000 | 1 257 000 | 52.4 |
| Contractor extension application processing fees received during 2017 and 2018 | 469 000 | 0 | -469 000 | -100.0 |
| Miscellaneous income accumulated during 2015 | 987 205 | | -987 205 | |

| | | | Change from 2017–2018 to 2019–2020 | |
|---|---|---|---|---|
| | *2017–2018* | *2019–2020* | *Amount* | *Percentage* |
| Miscellaneous income accumulated during 2017 | | 685 420 | 685 420 | |
| **Subtotal, income** | **3 893 776** | **4 909 556** | **1 015 780** | **26.1** |
| **Total net contributions required** | **13 236 924** | **13 561 294** | **324 370** | **2.5** |
| Net contributions required for each year of the biennium | 6 618 460 | 6 780 645 | 162 185 | 2.5 |
| *Less*: European Union assessment | -100 000 | -100 000 | | 0.0 |
| **Total assessed** | **6 518 460** | **6 680 645** | **162 185** | **2.5** |